

# BEST AVAILABLE COPY

~~SECRET~~

17. Engineer Frederico SCHWEND

SCHWEND alias SS-Sturmabfuhrer (Boatman CO) WENDIG is a native Austrian and lives in Northern Italy (Abbasia), so that he acquired after 1918 Italian citizenship. He spent a number of years in the United States where he visited his two aunts, the famous "Grain Queens" of New York (their name I do not recall) and joined their business. Upon his return to Italy he became the European property administrator of this concern. At that time he was already a dollar millionaire. In 1939 SCHWEND became acquainted with SS-Hauptsturmfuehrer (Comp. CO) Dr. GROEBL and became very good friends. He also worked for GROEBL in the intelligence field, however with little success, since his major talent was in the business field. In the interim Group VI F, organized by the first <sup>51 general</sup> ~~supp~~ MAJORS, had begun to produce counterfeit pound notes (in denominations of 5, 10, 20 and 50 pound notes). On Dr. GROEBL's suggestions, SCHWEND and SCHELLENBERG were charged with the sale of the money. Since the notes had turned out very well SCHWEND was able to get rid of 100,000 pounds very quickly and purchased from the earnings gold and other hard foreign currency on the black market.

After GROEBL was killed in September 1943 by partisans -- SCHWEND was driving with him at the time and also wounded -- I, in my capacity as Italian desk chief, established the connection between SCHWEND and the Office VI W1, SS-Sturmabfuhrer Dr. ZEIDLER. Beyond that I had nothing

~~SECRET~~

Declassified and Approved for Release  
by the Central Intelligence Agency  
Date: 2001

(Translation)  
DECLASSIFIED AND RELEASED BY  
CENTRAL INTELLIGENCE AGENCY  
SOURCES METHODS EXEMPTION 3B2B  
NAZI WAR CRIMES DISCLOSURE ACT NAZI WAR CRIMES DISCLOSURE ACT  
DATE 2001 2008

# BEST AVAILABLE COPY

SECRET

more to do with the matter and lost contact with SCHWEND when I turned over the Italian desk in December 1943 completely for a time. When the plan developed to establish a national partisan group in Macedonia and weapons and equipment were needed for it, I suggested that SCHWEND be charged with this responsibility since he seemed especially suited for this. SCHWEND did procure carloads of weapons, munitions, and other equipment which he purchased from the Italian partisans for counterfeit pound notes through his agents. During the last month of 1944 it became ever more difficult to purchase gold and foreign currency on the black market and because of this SCHWEND first shifted to purchasing goods on the Italian black market which he then turned over to the Reich Security Main Office for the counterfeit pound notes (such as leather textiles, etc).

A serious dispute had meanwhile broken out <sup>over handling</sup> ~~on the subject~~ [? of SCHWEND?] since the VI W1 as well as the adjutant for administrative questions attached to KALTENBRUNNER, SCHEIDLER, and the chief of office II SS-Oberführer ( ) <sup>claimed</sup> SPACIL ~~had~~ jurisdiction. Following a decision by Dr. KALTENBRUNNER, SPACIL was made responsible and thereafter worked very closely with SCHWEND.

SECRET

BEST AVAILABLE COPY

~~SECRET~~

I met SCHNEED in March of 1945 again when, arriving from Switzerland, I was driving to MERAN and looked for him there. SCHNEED told me that he was trying to bring about a capitulation of the German Army group in Italy and that SS-Obergruppenführer WOLFF was assisting in establishing a contact to American Officers in Switzerland (to A. Dulles). SCHNEED himself then <sup>made contact with</sup> ~~took up contact with~~ American Officers, through his friend the former German Consul General in Hollywood, Dr. GIBLING, who had numerous American friends. Another colleague of SCHNEED's -- by the way also in the economic sector -- was the representative of the International Red Cross in MERAN, Jacques van HARTEN (Jewish), whom I had gotten out of Budapest and sent to SCHNEED. In connection with my second trip to Switzerland in April 1945 I again drove to SCHNEED on my way back, whom I had briefed in the meantime concerning my activities and ascertained that he continued to be very active. He had taken up contact with the leadership of the Italian national partisans for a smooth transfer of South Tirol in case of a German collapse. The leader of these partisans, Dr. ANELLI, seems to have been liaison officer for WOLFF to General CIARE which prompted me to conclude that SCHNEED also had established this contact. Concerning his further fate, I do not know anything more than a news report over the radio that he had been arrested.

SCHNEED is a highly gifted businessman with a good bit of adventurism in him who particularly enjoys to drive around in the middle of rebellious areas and to deal with the most roughest partisan leaders. In so doing he was less concerned with the profit than with the adventure of the affair.

~~SECRET~~

Declassified and Approved for Release  
by the Central Intelligence Agency  
Date: 2001

NAZI WAR CRIMES DISCLOSURE ACT

# BEST AVAILABLE COPY

In his political orientation I consider him for ~~assess~~ regular. He was never a party member nor with the SS, but was given permission by SPACIL to use the rank and name of SS-Sturmabführer WENDIG ~~for~~ as a signature since his transport required a platoon of weapon SS and gave him the necessary authority thereto.

I know nothing further about his American connections, however, I know from Dr. GRÜBL that he had even then connections. I do not believe, however, that he was in direct American service, but instead that they were acquaintances from his stay in the USA.

Insofar as the counterfeiting of moneys of the Office VI is concerned, I know that in addition to pounds dollars were also produced which were released for the first time in early 1945, but they were so bad that they could not be sold. The Military Counter-Intelligence however was supposed to have been producing counterfeit dollars for some years as well as phony precious stones. The phony gold pieces which were put into circulation in <sup>last</sup> the last year [probably mean ~~the~~ <sup>last</sup> year] according to SCHWED, originated from the English Intelligence Service. The instruments for the production of counterfeit pound notes were shipped shortly before the capitulation to Austria <sup>to</sup> in the vicinity of the TRAUNSEE <sup>lake</sup>, where the counterfeit money was ~~stunk~~ by the cases and later found by American Officers. This I know from a Captain by name of MATHESS or something like that, whom I met on my arrival in TAMBERG and whom I also saw in the artillery ~~camp~~ <sup>camp</sup>. The other reserves of gold and foreign currency, SPACIL brought <sup>to the Emergency Army</sup> to TIROL, I consider it for absolutely impossible that SCHWED bribed or

11

# BEST AVAILABLE COPY

members of the Office VI, especially Dr. KALTE BRUNER, since I know how correct the latter was in matters <sup>concerning</sup> ~~concerning~~ money. It of course goes without saying that SS-Strumbannführer WARECK nor I received anything in any way from SCHNEED. Proof of WARECK's correctness in such ~~matter~~ <sup>+</sup> is the following fact: At Christmas 1944, SCHNEED sent WARECK, SS-Sauptsturmführer FRÖLICH, who in my absence took over the goods and weapons transport for the Macedonian corps of volunteers in Vienna, and for myself, a briefcase cash. WARECK at that time asked me to write a letter immediately to SCHNEED that he tell him the cost for it. I do not believe that SCHNEED made any unseamy transactions ever with SPACIL.

During my last stay in Switzerland I familiarized the known American gentleman <sup>c</sup> with the name of SCHNEED, since he could provide valuable services. It was agreed that SCHNEED should bring the American parachute agent, First Lieutenant Fred MAYER, whom I had liberated from GESTAPO arrest in INNEBRUCK, over the border to Switzerland. SCHNEED had already visited MAYER in prison. Whether it ever came to the trip to Switzerland, I do not know, however, I believe not, since MAYER who had political tasks at this time could not go away.

~~SECRET~~